Lianhe Global has affirmed ‘A-’ global scale Long-term Issuer Credit Rating of Taizhou Huaxin Pharmaceutical Investment Co., Ltd.; Issuer Rating Outlook Stable

HONG KONG, 11 September 2025 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has affirmed ‘A-’ global scale Long-term Issuer Credit rating of Taizhou Huaxin Pharmaceutical Investment Co., Ltd. (“THPI” or “the company”). The Outlook is stable.

Key Rating Rationales

The Issuer Credit Rating reflects a high possibility that the People’s Government of Taizhou City (“the Taizhou government”) would provide strong support to THPI if needed. This mainly considers the Taizhou Government’s indirect majority ownership of THPI, the strategic importance of THPI as an important local investment and development company responsible for promoting the development of health industry in Taizhou. The linkage between the Taizhou Government and THPI is strong, including management supervision, strategic alignment and ongoing operational and financial support. In addition, the Taizhou Government may face significant negative impact on its reputation and financing activities if THPI encounters any operational and financial difficulties.

Taizhou is a prefecture-level city under the jurisdiction of Jiangsu Province. Taizhou realized a GDP of RMB702.1 billion in 2024, representing a year-over-year growth of 5.1% while the budgetary revenue grew by 3.0% to RMB45.3 billion.

The Stable Outlook reflects our expectation that THPI’s strategic importance would remain intact while the Taizhou Government will continue to ensure THPI’s stable operation.

Rating Sensitivities

We would consider downgrading THPI’s rating if (1) there is perceived weakening in support from the Taizhou government, particularly due to its reduced strategic importance with diminished government functions, or (2) there is a significant reduction of the Taizhou government’s ownership of THPI, or (3) there is a downgrade in our internal credit assessment on the Taizhou government.

We would consider upgrading THPI’s rating if (1) there is strengthened support from the Taizhou government, or (2) an upgrade in our internal credit assessment on the Taizhou government.

About Lianhe Global

Lianhe Global is an international credit rating company that provides credit ratings to corporations, banks, non-bank financial institutions, local investment and development companies, and other asset classes around the globe. Lianhe Global also provides credit risk research and other services related to credit ratings.

Principal Methodology Applied

China Local Investment and Development Companies Criteria (published on 31 July 2025)
The methodology can be found at the website www.lhratingsglobal.com

Note: The above Issuer/Issuance Credit Ratings are solicited at the request of the rated entity or a related third party. None of the aforementioned entities nor its related parties participate in the rating process aside from providing information requested by Lianhe Global.

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